(a) Class I milk. The price for Class I milk shall be the basic formula price for the preceding month plus $1.30, plus 20 cents through April 1969, and plus or minus a "supply-demand adjustment" of not more than 39 cents computed pursuant to subparagraphs (1) and (2) of this paragraph:

* * * * *

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Effective date: Upon publication in the FEDERAL REGISTER.

Signed at Washington, D.C., on October 14, 1968.

ORVILLE L. FREEMAN,
Secretary.

[F.R. Doc. 68–12659; Filed, Oct. 16, 1968; 8:51 a.m.]

Chapter XIV—Commodity Credit Corporation, Department of Agriculture

SUBCHAPTER C—EXPORT PROGRAMS

PART 1488—FINANCING OF SALES OF AGRICULTURAL COMMODITIES

Correction

In F.R. Doc. 68–12290 appearing at page 15052 in the issue of Wednesday, October 9, 1968, the following changes should be made.

1. Add the following sentence to be the last line of the introductory paragraph: "This republication of Part 1488 contains minor changes and editorial corrections but does not include any substantive changes."

2. In the 10th line of § 1488.2(u) the letters "c.i.f." should read "c.&f.".

3. The 17th line of § 1488.5 should read "cover funds from the foreign bank due to a".

4. In Supplement II, the section number in the eighth line of E. should read "§ 1488.3" instead of "§ 14488.3".

5. In the 11th line of the Appendix to Exhibit II, preceding the word "body" insert the word "serious".

Title 12—BANKS AND BANKING

Chapter II—Federal Reserve System

SUBCHAPTER A—BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

[Reg. Q]

PART 217—PAYMENT OF INTEREST ON DEPOSITS

Time Deposits of Foreign Monetary Authorities

1. Effective October 15, 1968, § 217.3 (a) is amended and § 217.3(g) is added to read as follows:

§ 217.3 Maximum rate of interest on time and savings deposits.

(a) *Maximum rate prescribed from time to time.* Except in accordance with the provisions of this part, no member bank shall pay interest on any time deposit or savings deposit in any manner, directly or indirectly, or by any method, practice, or device whatsoever. Except as provided in paragraph (g) of this section, no member bank shall pay interest on any time deposit or savings deposit at a rate in excess of such applicable maximum rate as the Board of Governors of the Federal Reserve System shall prescribe from time to time; and any rate or rates which may be so prescribed by the Board will be set forth in supplements to this part, which will be issued in advance of the date upon which such rate or rates become effective.

* * * * *

(g) *Time deposits of foreign monetary authorities.* The provisions of paragraph (a) of this section do not apply to the rate of interest that may be paid by member banks on a time deposit, having a maturity of not more than 2 years, made and owned by a foreign government, a monetary or financial authority of a foreign government when acting as such, or an international financial institution of which the United States is a member. All certificates of deposit issued by member banks to such organizations, on which the contract rate of interest exceeds the applicable maximum under § 217.6, shall provide (1) that, in the event of transfer, the date of transfer, attested to in writing by the transferor, shall appear on the certificate, and (2) that the maximum rate limitations of § 217.6 in effect at the date of issuance of the certificate apply to the certificate for any period during which it is held by a person other than such an organization. Upon presentment of such a certificate for payment, the bank may pay to the holder the contract rate of interest on the deposit for the time that the certificate was actually owned by such an organization.

§ 217.127 [Revoked]

2. Section 217.127 is revoked.

3a. The purposes of these amendments are: (1) To clarify the authority of member banks to pay any rate of interest on time deposits of foreign monetary authorities, with maturities of not more than 2 years, and (2) to modify an earlier position of the Board with respect to the payment of interest on such deposits where ownership therein is transferred by the so-called "exempt" organization to a nonexempt holder. Formerly, a member bank was prohibited from paying interest at a rate exceeding the applicable maximum permissible rate under § 217.6 (the supplement to Regulation Q) at the date of issue if the certificate of deposit issued to an exempt organization was transferred to a nonexempt holder at any time before maturity. Under the new § 217.3(g), the bank may pay the contract rate on a certificate issued to an exempt organization throughout the time it is held by such an organization even though the holder at maturity is not an exempt organization, if the bank and the exempt organization (or organizations) fulfill two conditions designed to establish proof of ownership of the exempt organization for the period of time the member bank proposes to pay interest at the contract rate. These conditions are: (1) The bank must include in the certificate provisions stating that (a) in the event of transfer, the date of transfer, attested to in writing by the transferor, shall appear on the certificate and (b) the provisions of § 217.3(a) of Federal Reserve Regulation Q apply to the certificate during any time that it is held by a holder other than a foreign government, a monetary or financial authority of a foreign government when acting as such, or an international financial institution of which the United States is a member; and (2) the exempt organization must comply with the requirement relating to the notation of the date of transfer. Any certificate presented for payment without such evidence of transfer will be subject to the rules applicable to a certificate originally issued to a nonexempt organization. Certificates issued before October 15, 1968, may be amended to include the provisions referred to in new section 217.3(g) and the issuing member bank may pay interest in accordance with section 217.3(g) if, in the event of any transfer thereof, the exempt organization to which it was issued complies with the requirement relating to the notation of the date.

b. The requirements of section 553(b), title 5, United States Code, with respect to notice, public participation, and deferred effective date were not followed in connection with these amendments. In most respects, they are procedural in nature. To the extent that they involve a substantive change, the effect is to relax the restrictions of an earlier interpretation in a manner that should encourage foreign monetary authorities to deposit funds in American commercial banks. In these circumstances, the Board has found that such requirements are unnecessary and contrary to the public interest.

Dated at Washington, D.C., this 7th day of October 1968.

By order of the Board of Governors.

[SEAL] ROBERT P. FORRESTAL,
Assistant Secretary.

[F.R. Doc. 68–12652; Filed, Oct. 16, 1968; 8:51 a.m.]

Chapter III—Federal Deposit Insurance Corporation

SUBCHAPTER B—REGULATIONS AND STATEMENT OF GENERAL POLICY

PART 329—PAYMENT OF DEPOSITS AND INTEREST THEREON BY INSURED NONMEMBER BANKS

Time Deposits of Foreign Monetary Authorities; Applicability of Lower State Maximum Interest Rates; Interest on Time and Savings Deposits Renewed Within 10 Days

1. Effective October 15, 1968, § 329.3 of the rules and regulations of the Federal Deposit Insurance Corporation (12 CFR Part 329) is amended to read as follows:

§ 329.3 Maximum rate of interest on time and savings deposits.

(a) *Maximum rate prescribed from time to time.* Except in accordance with the provisions of this part, no insured nonmember bank shall pay interest on any time deposit or savings deposit in any manner, directly or indirectly, or by any method, practice, or device whatsoever. Except as provided in paragraph (g) of this section, no insured nonmember bank shall pay interest on any time deposit or savings deposit at a rate in excess of such applicable maximum rate as the Board of Directors of the Federal Deposit Insurance Corporation shall prescribe from time to time; and any rate or rates which may be so prescribed by the Board will be set forth in supplements to this part (see § 329.6), which will be issued in advance of the date upon which such rate or rates become effective.

(b) *Modification of contracts to conform to regulation.* No certificate of deposit or other contract shall be renewed or extended unless it be modified to conform to the provisions of this part, and every insured nonmember bank shall take such action as may be necessary, as soon as possible consistently with its contractual obligations, to bring all of its outstanding certificates of deposit or other contracts into conformity with the provisions of this part.

(c) *Insured nonmember banks limited to maximum rate under State law.* The rate of interest paid by an insured nonmember bank upon a time deposit or a savings deposit shall not in any case exceed (1) the applicable maximum rate prescribed pursuant to the provisions of paragraph (a) of this section, or (2) the applicable maximum rate authorized to be paid upon such deposits under the laws of the State in which the insured nonmember bank is located, whichever may be less.

(d) *Grace periods in computing interest on savings deposits.* An insured nonmember bank may pay interest on a savings deposit received during the first ten (10) calendar days of any calendar month at the applicable maximum rate prescribed pursuant to paragraph (a) of this section calculated from the first day of such calendar month until such deposit is withdrawn or ceases to constitute a savings deposit under the provisions of this part, whichever shall first occur; and an insured nonmember bank may pay interest on a savings deposit withdrawn during its last three (3) business days of any calendar month ending a regular quarterly or semiannual interest period at the applicable maximum rate prescribed pursuant to paragraph (a) of this section calculated to the end of such calendar month.

(e) *Continuance of time deposit status.* A deposit which was a time deposit at the date of deposit continues to be such until maturity, although it has become payable within thirty (30) days, and interest at a rate not exceeding that prescribed pursuant to the provisions of paragraph (a) of this section may be paid until maturity upon such deposit. A time deposit or a savings deposit, with respect to which notice of withdrawal has been given, continues to be such until the expiration of the period of such notice, and interest may be paid upon such deposit until the expiration of the period of such notice at a rate not exceeding that prescribed pursuant to the provisions of paragraph (a) of this section. Interest at a rate not exceeding that prescribed pursuant to the provisions of paragraph (a) of this section may be paid upon savings deposits with respect to which notice of intended withdrawal has not actually been required or given. No interest shall be paid by an insured nonmember bank on any amount which by the terms of any certificate or other contract or agreement, or otherwise, the bank may be required to pay within thirty (30) days from the date on which such amount is deposited in such bank,[10] except as to savings deposits with respect to which the bank consistently continues to adhere to a practice existing prior to January 23, 1936, of requiring notice of at least fifteen (15) days before permitting withdrawal.

(f) *No interest after maturity or expiration of notice; exception.* After the date of maturity of any time deposit, such deposit is a demand deposit, and no interest may be paid on such deposit for any period subsequent to such date. After the expiration of the period of notice given with respect to the repayment of any time deposit or savings deposit, such deposit is a demand deposit and no interest may be paid on such deposit for any period subsequent to the expiration of such notice, except that, if the owner of such deposit advise the bank in writing that the deposit will not be withdrawn pursuant to such notice or that the deposit will thereafter again be subject to the contract or requirements applicable to such deposit, the deposit will again constitute a time deposit or savings deposit, as the case may be, after the date upon which such advice is received by the bank. Notwithstanding the foregoing, if a time deposit is renewed, automatically or by action of the depositor, within ten (10) days after maturity, the renewed deposit or renewed portion may draw interest from the maturity date of the matured deposit; and if a time or savings deposit is renewed, automatically or by action of the depositor, within ten (10) days after expiration of the period of notice given with respect to its repayment, the renewed deposit or renewed portion may draw interest from the date such notice period expired.[11]

[10] Deposits, such as Christmas club accounts and vacation club accounts, which are made under written contracts providing that no withdrawal shall be made until a certain number of periodic deposits have been made during a period of not less than three (3) months, constitute "time deposits, open account" even though some of the deposits are made within thirty (30) days from the end of such period.

[11] Where a time certificate is renewed within ten (10) days after maturity, the renewal certificate may be dated back to the maturity date of the matured certificate.

(g) *Time deposits of foreign monetary authorities.* The provisions of paragraph (a) of this section do not apply to the rate of interest that may be paid by insured nonmember banks on a time deposit, having a maturity of not more than 2 years, made and owned by a foreign government, a monetary or financial authority of a foreign government when acting as such, or an international financial institution of which the United States is a member. All certificates of deposit issued by insured nonmember banks to such organizations, on which the contract rate of interest exceeds the applicable maximum under § 329.6, shall provide (1) that, in the event of transfer, the date of transfer, attested to in writing by the transferor, shall appear on the certificate, and (2) that the maximum rate limitations of § 329.6 in effect at the date of issuance of the certificate apply to the certificate for any period during which it is held by a person other than such an organization. Upon presentment of such a certificate for payment, the bank may pay to the holder the contract rate of interest on the deposit for the time that the certificate was actually owned by such an organization.

2. Effective October 15, 1968, this Corporation's uncodified interpretation of Part 329 of its regulations, published in 27 FEDERAL REGISTER 11798 (1962), is revoked.

3a. The purposes of the amended §§ 329.3(a) and 329.3(g) are: (1) To clarify the authority of insured nonmember banks to pay any rate of interest on time deposits of foreign monetary authorities, with maturities of not more than 2 years, and (2) to modify an earlier position of the Corporation with respect to the payment of interest on such deposits where ownership therein is transferred by the so-called "exempt" organization to a nonexempt holder. Formerly, an insured nonmember bank was prohibited from paying interest at a rate exceeding the applicable maximum permissible rate under § 329.6 (the Supplement to Part 329) at the date of issue if the certificate of deposit issued to an exempt organization was transferred to a nonexempt holder at any time before maturity. Under the new § 329.3(g), the bank may pay the contract rate on a certificate issued to an exempt organization throughout the time it is held by such an organization even though the holder at maturity is not an exempt organization, if the bank and the exempt organization (or organizations) fulfill two conditions designed to notify future nonexempt holders of the rules and to establish proof of ownership of the exempt organization for the period of time the member bank proposes to pay interest at the contract rate. These conditions are: (1) The bank must include in the certificate provisions stating that (a) in the event of transfer, the date of transfer, attested to in writing by the transferor, shall appear on the certificate and (b) the provisions of § 329.3(a) of FDIC regulations apply to the certificate during any time that it is held by a holder other

than a foreign government, a monetary or financial authority of a foreign government when acting as such, or an international financial institution of which the United States is a member; and (2) the exempt organization must comply with the requirement relating to the notation of the date of transfer. Any certificate presented for payment without such evidence of transfer will be subject to the rules applicable to a certificate originally issued to a nonexempt organization. Certificates issued before October 15, 1968, may be amended to include the provisions referred to in new § 329.3(g) and the issuing bank may pay interest in accordance with § 329.3(g) if, in the event of any transfer thereof, the exempt organization to which it was issued complies with the requirement relating to the notation of the date.

b. The purpose of the new § 329.3(c) is to clarify the already existing law that insured nonmember banks are subject to State maximum interest rate laws where such rates are lower than the rates prescribed in the Corporation's interest regulations. Because of the insertion of this new paragraph, the present § 329.3 (c) and (d), and the amendment to section (e) will be renumbered as § 329.3 (d), (e), and (f), respectively.

c. The purpose of amended § 329.3(f) is to allow renewed time deposits, open account to draw interest during a 10-day optional renewal period from the maturity date of the matured deposit, on the same basis as time certificates of deposit. This removes a distinction without substance and brings the rules for insured nonmember banks into conformity with interpretive rulings of the Federal Reserve System applicable to member banks. Savings deposits renewed within 10 days are also brought within the exception. In other respects the section remains intact in prohibiting savings and time deposits from drawing interest for any period subsequent to maturity. For purposes of clarification, the exception for renewed deposits is expressly stated to be "automatically or by action of the depositor."

d. In adopting these amendments to the Corporation's rules and regulations, the Board of Directors has found that (1) for good cause shown prior publication of notice of proposed rule making in the FEDERAL REGISTER and public participation in the making of rules under the provisions of the Administrative Procedure Act (5 U.S.C. 553) and Part 302 of the Corporation's rules and regulations (12 CFR 302.1–302.7) is not required with respect to the adoption of this amendment and such publication is impracticable, unnecessary and contrary to the public interest, and (2) that a delay of not less than 30 days in the effective date of said amendment after its publication is not required by the provisions of the Administrative Procedure Act (5 U.S.C. 553) and Part 302 of the Corporation's rules and regulations (12 CFR 302.1–302.7), since the amendment imposes no substantial additional duties or burdens upon the public.

(Sec. 9, 64 Stat. 881; 12 U.S.C. 1819. Interpret or apply sec. 18, 64 Stat. 891, 12 U.S.C. 1828)

FEDERAL DEPOSIT INSURANCE CORPORATION,
[SEAL] E. F. DOWNEY,
Secretary.

[F.R. Doc. 68–12625; Filed, Oct. 16, 1968; 8:49 a.m.]

Title 14—AERONAUTICS AND SPACE

Chapter I—Federal Aviation Administration, Department of Transportation

[Docket No. 8336; Amdt. No. 25–19]

PART 25—AIRWORTHINESS STANDARDS: TRANSPORT CATEGORY AIRPLANES

Oil Tank Installation Requirements

The purpose of these amendments to Part 25 of the Federal Aviation Regulations is to permit the installation of reciprocating engines having integral oil sumps in airplanes certificated in the transport category without requiring the oil sumps to be fireproof.

These amendments are based on a notice of proposed rule making (33 F.R. 3641, Mar. 1, 1968), circulated as Notice No. 68–3, dated February 23, 1968.

The comments received in response to Notice 68–3 generally favored the proposal. However, one comment recommended that the proposal be changed to require a showing, either by demonstration or analysis, that the possibility of fire originating within or being exaggerated by the oil in the wet sump is extremely remote. According to the comment, the best indication of this would probably be the operational history of engines with integral oil sumps. In response to this comment, it should be pointed out that Notice 68–3 was issued on the basis of the satisfactory service experience with integral oil sumps on reciprocating engines used in small airplanes.

As stated in the preamble to Notice 68–3, the FAA has determined that because of the relatively small quantity of oil that can be carried in the integral sumps; the fact that the oil sump itself serves as a heat sink to assist in dissipating heat from a fire near the sump; and the fact that in reciprocating engines the direction of airflow around the engine will direct the flames away from the sump, the fireproofing of the integral oil sump is unnecessary. Since these conditions are characteristic of all reciprocating engines having integral oil sumps, there is no need to require a separate showing by each applicant for a type certificate for an aircraft equipped with such engines.

As previously indicated, the proposal was based in part on the fact that the capacities of oil sumps currently installed on reciprocating engines are relatively small. In this connection, none of the existing reciprocating engines or reciprocating engines currently being considered for certification have integral oil sumps with capacities greater than 20 quarts. Since the FAA's determinations as to the fire protection required for integral oil sumps did not involve oil sumps having a large oil capacity, it is considered appropriate to revise the proposed regulation to make it clear that this regulation applies to reciprocating engines having an integral oil sump of less than 20-quart capacity.

Finally, it is noted that § 25.1185(a) contains powerplant fire protection requirements for tanks and reservoirs containing flammable fluid which in some respects parallel the oil tank requirements of § 25.1013(a). Therefore, in order to fully implement the proposed regulation, it is also necessary to exclude the integral oil sumps covered by this amendment from the requirements of § 25.1185(a).

Interested persons have been afforded an opportunity to participate in the making of these amendments. All relevant material submitted has been fully considered.

In consideration of the foregoing, Part 25 of the Federal Aviation Regulations is amended, effective November 16, 1968, as follows:

1. Section 25.1013(a) is amended by adding a final sentence to read as follows:

§ 25.1013 Oil tanks.

(a) *Installation* * * *. For a reciprocating engine having an integral oil sump of less than 20-quart capacity, the oil sump need not be fireproof.

2. Section 25.1185(a) is amended to read as follows:

§ 25.1185 Flammable fluids.

(a) Except for the integral oil sumps specified in § 25.1013(a), no tank or reservoir that is a part of a system containing flammable fluids or gases may be in a designated fire zone unless the fluid contained, the design of the system, the materials used in the tank, the shut-off means, and all connections, lines, and control provide a degree of safety equal to that which would exist if the tank or reservoir were outside such a zone.

* * * * *

(Secs. 313(a), 601, and 603 of the Federal Aviation Act of 1958; 49 U.S.C. 1354(a), 1421, and 1423)

Issued in Washington, D.C. on October 10, 1968.

D. D. THOMAS,
Acting Administrator.

[F.R. Doc. 68–12607; Filed, Oct. 16, 1968; 8:47 a.m.]

[Docket No. 68–CE–14–AD; Amdt. 39–668]

PART 39—AIRWORTHINESS DIRECTIVES

Beech Models 65–90, 65–A90, 65–A90–1, 65–B90 Airplanes

The Federal Aviation Administration received reports that Beech Models 65–90,

65–A90, 65–A90–1, and 65–B90 aircraft manufactured under Type Certificate No. 3A20 had experienced engine damage and malfunction as a result of operating in icing conditions. In one instance, complete loss of power and inability to sustain further flight was experienced. As a result, the Administrator determined that an unsafe condition existed in these model aircraft and that until a modification to the design of the aircraft was approved by the Administrator, it was necessary to impose operating limitations on these aircraft. Accordingly, on May 24, 1968, the Federal Aviation Administration issued an emergency order amending Beech Type Certificate No. 3A20 to limit flight of aircraft covered by this type certificate in visible moisture above 15,000 feet when the air temperatures are within specific critical limits. The manufacturer has now modified the type design of the aircraft and reissued the airplane flight manual for the respective aircraft. These modifications consist of installing seal strips and a spring lockdown assembly on the Inertial Separator Vane, and the addition of an automatic ignition (relight) system. The airplane flight manuals have been reissued to improve procedures for in-flight restarting of engines. These modifications and revision to the airplane flight manuals, all of which have been approved by the Administrator, are described in Beechcraft Service Instructions No. 0115–010 dated October 1, 1968.

It should be pointed out that extensive investigations of aircraft equipped with these modifications have demonstrated safe and reliable operation under critical icing conditions. However, the cause for simultaneous loss of power from both engines in a King Air airplane operating in or near a cumulonimbus cloud in the vicinity of Athens, Ohio, on May 3, 1968, has not been established. The evidence seems to indicate that unusually large quantities of precipitation in the clouds may have had adverse effects on engine operation in that instance. Modified Beech Model 65–90 series airplanes have an improved capability for safe operation under conditions of extremely heavy precipitation.

Since the unsafe condition, without retrofit, is likely to exist or develop in all aircraft which have been manufactured under Type Certificate No. 3A20, an airworthiness directive is being issued, requiring these aircraft to be modified and their flight manuals to be replaced in accordance with Beechcraft Service Instructions No. 0115–010 within 1 year of the effective date of the airworthiness directive. The order amending the type certificate shall remain in effect until the airworthiness directive has been complied with on each individual aircraft. It should be noted that on September 19, 1968, the Administrator amended his emergency order to exclude from its terms Beech Models 65–90, 65–A90, and 65–B90 aircraft (Serial Nos. LJ407 and after) since these aircraft have been modified in a manner satisfactory to the Administrator.

Since this airworthiness directive when accomplished, relieves an operating restriction on the aircraft which reduced its utilization, and imposes no unnecessary burden on any person, notice and public procedure hereon are unnecessary and the amendment may be made effective in less than thirty (30) days.

In consideration of the foregoing, and pursuant to the authority delegated to me by the Administrator (31 F.R. 13697), § 39.13 of Part 39 of the Federal Aviation Regulations is amended by adding the following new airworthiness directive:

BEECHCRAFT: Applies to Models 65–90, 65–A90, and 65–B90 aircraft (Serial Nos. LJ–1 through LJ–406) and Model 65–A90–1 aircraft (Serial Nos. LM–1 through LM–129).

Compliance required as indicated.

To reduce the possibility of engine damage and malfunction while operating in icing conditions above 15,000 feet MSL, within one year after the effective date of this airworthiness directive, unless already accomplished, accomplish the following:

(A) Install seal strips and a spring lockdown assembly on the Inertial Separator Vane and an automatic ignition (relight) system in accordance with the method outlined in Beechcraft Service Instructions No. 0115–010 dated October 1, 1968.

(B) Equip the airplane with the applicable FAA Flight Manual as set forth in Beechcraft Service Instructions No. 0115–010 dated October 1, 1968.

(C) The Emergency Order Amending Type Certificate No. 3A20 dated May 24, 1968, as amended September 19, 1968, shall remain in force and effect as to each individual aircraft covered by this airworthiness directive until paragraphs (A) and (B) have been accomplished.

This amendment becomes effective October 17, 1968.

(Secs. 313(a), 601, and 603 of the Federal Aviation Act of 1958; 49 U.S.C. 1354(a), 1421, and 1423)

Issued in Kansas City, Mo., on October 4, 1968.

EDWARD C. MARSH,
Director, Central Region.

[F.R. Doc. 68–12604; Filed, Oct. 16, 1968; 8:47 a.m.]

[Airworthiness Docket No. 68–WE–12–AD; Amdt. 39–670]

PART 39—AIRWORTHINESS DIRECTIVES

Boeing Models 707 and 720 Series Airplanes

Amendment 39–640 (33 F.R. 11976), AD 68–17–8, requires inspection for cracks, and repairs as necessary, of the lower wing skin, inboard of the inboard nacelle at the front spar on the Boeing 707 and 720 Series aircraft. After issuing Amendment 39–640 the Agency determined that the repetitive inspection intervals may be increased for the 707 Series aircraft. Therefore, the AD is being amended to provide 1,200 hours repetitive inspection intervals where eddy current or dye check inspection techniques are used and 2,000-hour repetitive inspection intervals where X-ray inspection techniques are used.

Since this amendment is relieving in nature and imposes no additional burden on any person, notice and public procedure hereon are unnecessary and the amendment may be made effective in less than 30 days.

In consideration of the foregoing, and pursuant to the authority delegated to me by the Administrator (31 F.R. 13697), § 39.13 of Part 39 of the Federal Aviation Regulations, Amendment 39–640 (33 F.R. 11976), AD 68–17–8 is amended by changing paragraphs (b), (d), (e), (f), (h), (i), (j), and (k) to read as follows:

(b) Inspect the lower wing skin of aircraft which have been repaired by installation of the small repair doubler in accordance with Boeing Service Bulletin 1995, within 1,600 hours (for 720 Series) or 2,000 hours (for 707 Series) after installation or within the next 400 hours (for 720 Series) or 600 hours (for 707 Series) time in service after the effective date of this AD, unless inspected within the previous 1,200 (for 720 Series) or 1,400 (for 707 Series) hours time in service and at intervals thereafter not to exceed 1,600 (for 720 Series) or 2,000 (for 707 Series) hours time in service, per (e).

(d) On those aircraft which have not had the drag fitting trimmed and the fairing attach angle modified in accordance with Boeing Service Bulletin 1995, within the next 400 hours (for 720 Series) or 600 hours (for 707 Series) time in service after the effective date of this AD and thereafter at intervals not to exceed 800 hours (for 720 Series) or 1,200 hours (for 707 Series) time in service, inspect for cracks, in the lower wing skin, emanating from the forward fastener for the drag fitting and from the fasteners for the fairing attach angle as noted in Figure 1 of Boeing Service Bulletin 1995 (Revision 5), by use of eddy current inspection techniques (dye penetrant inspection techniques are acceptable for inspection of skin around fairing attach angle fasteners) at the threshold times specified in (h), (i), (j), or (k) as appropriate. If cracks are found around the fairing attach angle or emanating aft from the drag fitting fastener, rework the drag fitting, doubler and skin prior to further flight in accordance with (g). If cracks are found emanating forward from the drag fitting fastener, rework the drag fitting, doubler and skin prior to further flight in accordance with Boeing Service Bulletin 1995 (Revision 5 or later FAA-approved revision) or equivalent rework and modification approved by the Chief, Aircraft Engineering Division, FAA Western Region.

(e) Inspect the lower wing skin covered by the small repair doubler for cracks by use of the X-ray inspection techniques noted in Boeing Service Bulletin 1995 (Revision 5 or later FAA-approved revisions) or an equivalent inspection technique approved by the Chief, Aircraft Engineering Division, FAA Western Region. Repeat inspections at intervals not to exceed 1,600 hours (for 720 Series) or 2,000 hours (for 707 Series) time in service. If crack growth is found, repair prior to further flight in accordance with (g).

(f) If the cracks fall within the crack length limits outlined in the paragraph entitled "Installation of the small repair doubler" (Part II, Boeing Service Bulletin 1995, Revision 5 or later FAA-approved revisions), repair in accordance with that section of the bulletin or later FAA-approved revisions. Within 1,600 hours (for 720 Series) or 2,000 hours (for 707 Series) after installation of the doubler, inspect in accordance with (e).

(h) For those airplanes listed in Boeing Service Bulletin 1995 (Revision 5 or later FAA-approved revisions) Part I, and having less than 6,000 (for 720 Series) or less than 10,000 (for 707 Series) hours time in service on the effective date of this AD, prior to the accumulation of 6,800 (for 720 Series) or